



The Uninsured - Different Problems Require Different Solutions

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State Coverage Initiatives (SCI)

- An Initiative of The Robert Wood Johnson Foundation
- Direct technical assistance to states
 - Onsite presentations and retreats
 - Meetings for state officials
 - Web site: <http://statecoverage.net>
 - Publications
- Grant funding

Who are the Uninsured?

MYTH vs. FACT

MYTH:

People without health insurance don't work.

FACT:

Four out of five (81%) of the uninsured are in working families – 69% in households with a full-time worker and 12% with a part-time worker. Lower wage workers, those working in small businesses, laborers and service employees are at greater risk of being uninsured.



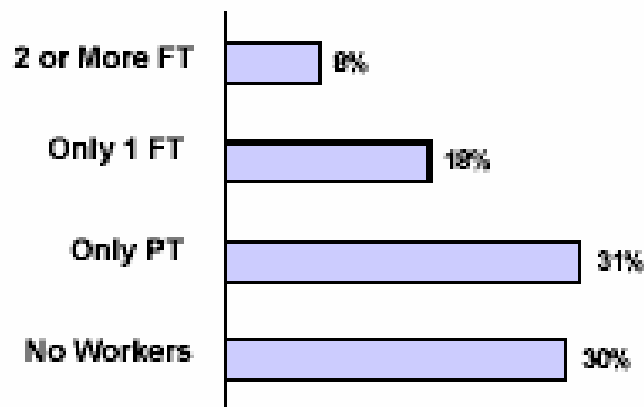
Source: CTUW 2004

Who are the Uninsured?

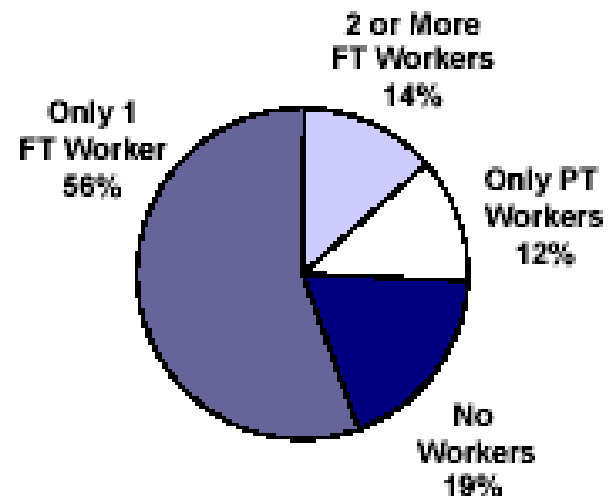
MYTH vs. FACT

Nonelderly Uninsured by Family Work Status, 2002

Uninsured Rates



National rate = 17%



43.3 Million Uninsured

FT = Full-Time; PT = Part-Time
KCMU / Urban Institute 2003

Hawaii's analysis of employer mandate

- Prepaid Health Care Act did result in greater rate of employer sponsored insurance
 - 82% of companies offer health insurance in Hawaii vs. 58% nationally (KFF state health facts and Hawaii Uninsured Project data)
 - 76% of small firms in Hawaii offer coverage vs. 46% nationally
- Still, about half uninsured in Hawaii are working and some working full-time
 - Part time employment rate higher in Hawaii than other states

Hawaii's response

- Developing proposals to address uncovered workers – individual mandate
- Building on success of Pre-Paid Health Care Act in encouraging strong employer sponsored insurance rate

Who are the Uninsured?

MYTH vs. FACT

MYTH:

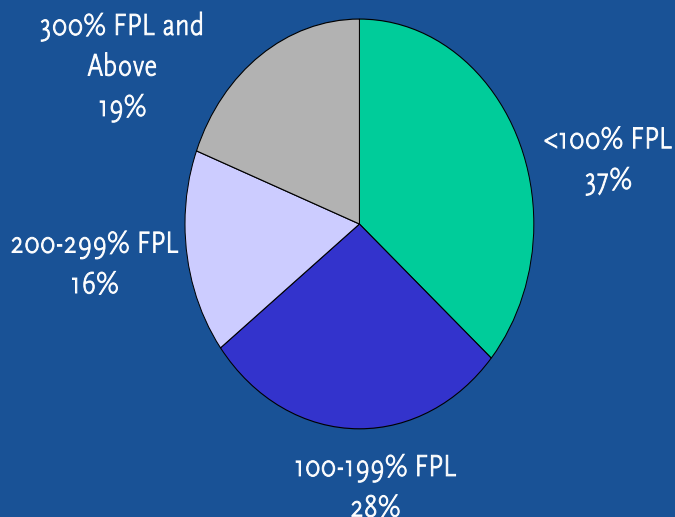
Most people without health insurance are poor.

FACT:

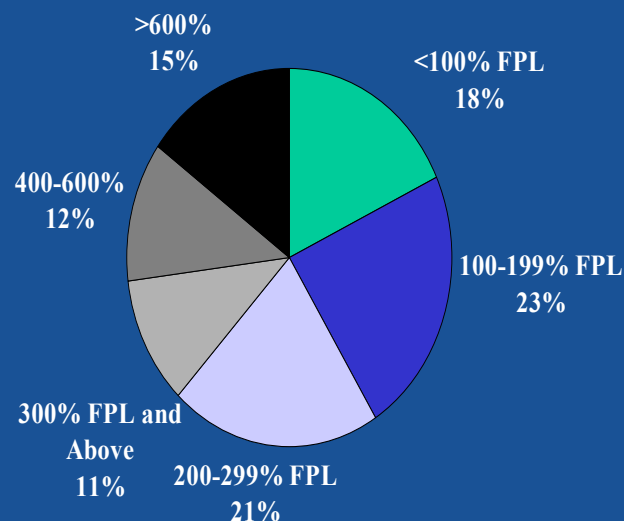
Almost two-thirds of the uninsured had incomes above poverty.

Health Insurance Coverage by poverty level, 2002 nationally and Maryland

US



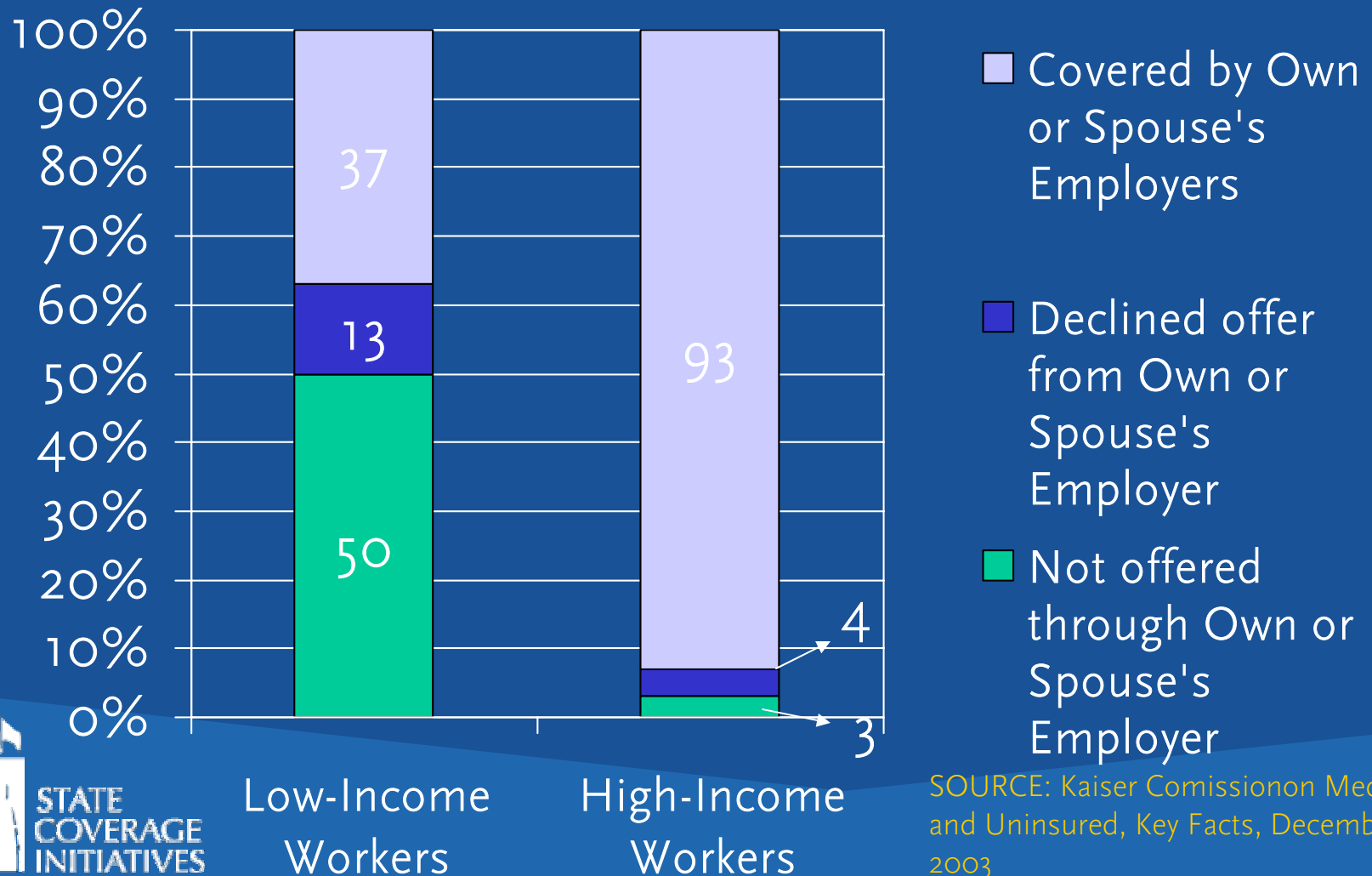
Maryland



Maryland response

- Discussed options to require families with incomes over 300% of FPL to have insurance
- Legislation requiring study and recommendation of using tax code to enforce passed House

A small portion of workers decline employer sponsored insurance



STATE
COVERAGE
INITIATIVES

SOURCE: Kaiser Commission on Medicaid and Uninsured, Key Facts, December 2003

What Problem Are You Trying to Solve?

Different problem requires different solution...

1. Problem: Coverage offered by employer but not taken up by worker

Solution: Subsidize employee premium

-or-

2. Problem: Employer doesn't offer coverage at all

Solution: Create affordable product targeting

employers and workers



Arkansas' analysis of employer sponsored insurance

- 43.9% of AR private sector firms offer coverage vs. 58.4% nationally
- 31.3% of AR small firms offer coverage vs. 47.1% nationally
- Most of Arkansas' employers are small firms



Source: MEPS IC, 1999 as reported in ACHI, Arkansas Health Insurance Roundtable Report, March 2002

Arkansas HIFA proposal

- January 2003 HIFA proposal
- Employers that previously (>12 mo) were not offering coverage may insure workers through new program
 - 100% worker participation requirement
 - Safety-net benefits insurance package
- For workers with incomes below 200% FPL, participating employer fees paid to the state qualify as federal match

Understanding the uninsured: Multiple solutions?

Eligible for public programs but not enrolled (~ 12 million)¹		Poor but not eligible for public programs (~10 million)¹		Moderate to high income (18.8 million)²	
<100% FPL 10.1 million²	100%-199%FPL 12.1 million²	200-299% FPL 7.4 million²	300% + FPL 11.4 million²		

Adapted from NIHCM, 2002 with data from:

1. Urban Institute, 2001

2. U.S. Census Bureau, Current Population Survey, 2002 Annual Demographic Supplement



STATE
COVERAGE
INITIATIVES

Solutions

- Need to understand the problem you are trying to solve
- Uninsured are dynamic groups
- Solutions must be as seamless as possible

State Strategies to Disseminate Information About the Uninsured

South Carolina:

- **Sought to educate the public on:**
 - the goals and progress of their State Planning grant
 - the characteristics of the uninsured
 - potential problems and solutions for the uninsured
 - Existing programs and how they can be assessed
 - Economics of appropriate utilization and basic coverage
- **Utilized articles, radio programs, public service announcements, education television programs**
- **Organized health fairs, presentations and business fairs throughout the state**

State Strategies to Disseminate Information About the Uninsured

Hawaii:

- “Taking it to the streets” – partnering with community advocates, media, and national experts
- 2003 Report to the Community
- Quarterly Newsletter
- Website and Email

State Strategies to Disseminate Information About the Uninsured

Delaware

- Statewide conference and forums to disseminate key findings and promote discussion future methods to reduce the uninsured in the state.

Minnesota

- Focus groups and town hall meetings on the topics of health care coverage, alternative approaches to coverage expansions, and Minnesotans' views of how to preserve coverage in the face of rising costs.